



January Issue

DRES Takes Key Role In Workforce Development "One-Stop" Project

Job-seekers in Charlottesville will now have a "one stop shop" to help them in their search.

Virginia has just opened its first comprehensive workforce one stop center in Charlottesville to serve jobseekers and businesses in the region from one central location. The Charlottesville Workforce Center will house local and state government agencies and not-for-profit organizations and operate as a collaborative office. It will serve as the model for future one stop centers to be located throughout the Commonwealth.

And DRES played a large part in making it happen.

The One-Stop puts into play a new direction for workforce development in Virginia by building a strong and skilled labor pool that can compete in a global economy and help sustain the current high level of economic vitality in the Commonwealth. The One Stop also builds a coordinated system for workforce training and development among a variety of governmental agencies and private contractors.

During the summer of 2006, the Department of General

DRES Moves To Facilitate Easement Approvals

DRES receives easement documents for processing, but often has to send them back for a variety of reasons (wrong form, plat unsatisfactory, etc.). Easements are also often submitted at the last minute and are expected to be turned around immediately. The combination of error and lack of time can delay an entire construction project.

To prevent this, DRES has prepared instruction sheets that let the agencies know what is needed to submit an easement for approval. The instructions include information about how to fill in some of the blanks on the form and an explanation on how the documents are then processed by DRES, and let agency customers know who is responsible for returning a copy of the recorded instrument to DRES.

The instructions also note the following key facts that agencies should be aware of:

- Fair consideration is expected for any easement crossing state-owned land and servicing other properties;
- The deed must contain an adequate description

Services, DRES began conducting initial real estate market research in order to locate a single facility that could meet the operational space requirements for the resource providers at the One-Stop Career Center. A facility was identified by DRES which provides over 30,000 square feet of space and meets the requirement of being convenient to public transportation routes.

DRES worked closely with a team of individuals from the One-Stop Career Center (including state agencies such as the Department of Rehabilitative Services, Virginia Employment Commission, Department of Veterans Services, George Mason University and the Department of Education) and with private partners such as the Piedmont Workforce Network, DRES served as the overall real estate project manager, overseeing lease negotiations, and design and construction of space requirements for more than 14 resource service providers from state and local government agencies and not-for-profit organizations.

The concept of collocating multiple resources from various organizations in one facility, such as this One-Stop collocation, provides operation and cost efficiencies for those organizations. There are cost reductions from more efficient space design and the sharing of commonly used spaces such as conference rooms, employee break rooms, and reception areas, and from leveraging the combined space needs of a larger group (over 30,000 square feet) into a single lease transaction in order to achieve more favorable lease terms and conditions. It also allows for smaller collocation participants to gain the benefits of amenities in the shared spaces that they otherwise would not be able to afford. Collocations result in larger leases in higher-quality and better managed buildings and will make the day-to-day operations more efficient.

Executive Order 75: A Success Story

Last January's survey of agency customers revealed that

- and in most cases a survey plat;
- Easement forms must be approved by the Attorney General's office; and
- All documents should be submitted to DRES for review prior to execution by the grantee and grantor.

Policies, Procedures, And Guidelines Updated

Our agency customers can now see the revised space guidelines and a new Office Space Questionnaire (OSQ) on the DRES website. The revised space guidelines set forth the Governor's requirement for an overall standard of 205 usable square feet per FTE in leased office space.

The new OSQ form is more of a worksheet that agencies can use to determine what they will need to operate in a leased facility. With this form the agencies provide information about the requirements in the office for a particular program, and DRES will then determine the amount of space that will be needed.

DRES has also developed new solicitation procedures that will be out by the end of the year. The amount of time it takes to procure new office space should be shorter after the procedures are in place. We have also developed a new RFP format, which is being monitored to evaluate what more can be done to improve the service.

PLATS Replacement Underway

Bricsnet is currently working on the configuration of the new building/center database system. The conversion of current PLATS data began in December and will continue through February of next year; it is on schedule to go

there wasn't a comprehensive understanding of the goals of Executive Order 75, the Real Estate Portfolio Management Initiative. A transaction in Henrico County provides a good illustration of the Order's intent, and shows how it can produce greater efficiency and more savings.

Six agencies were identified to relocate into the Perimeter Center, occupying about 150,000 rentable square feet. This space houses 618 FTEs and provides a large conference facility, too. The result was a win-win all-around:

- The location provides more efficient, flexible and upgraded space – especially to the five agencies that came from Class C space.
- The collocation of these regulatory and licensing agencies provides operational synergies, a benefit to their customers as a whole.
- It consolidates service delivery for VITA/Northrup Grumman and DGS' Mail Service teams.
- The co-existing agencies share a 19,000-square-foot conference/training center along with computer, main reception, and mail operations rooms.

The cost impact was equally positive. Through this collocation system, the agencies share a combined savings of approximately 6,700 square feet – the equivalent of more than \$1.5 million over the lease term. Not only that, but a lease was negotiated that delivered a broad range of benefits to the tenants, as the landlord agreed to provide:

- \$21.50 per square foot (\$3,181,000) in tenant improvement allowance, plus a \$175,000 contribution for building out a food service area;
- Free use of a large inventory of furniture and work stations in the building;
- Six parking spaces per 1,000 rentable square feet, which exceeds industry standard;
- 7 ½ months of free rent; and

live by March 15. This would not be possible without the help we have received from the agencies and institutions that provided us with information they would like to see in the system. We are working hard and doing everything we can to comply with those requests.

A Year Of Accomplishment

After undergoing reorganization a year ago, DRES has had an active – and productive – 2007:

- We reorganized the staff and renamed key positions in an effort to ensure that DRES has the best possible staff. We have expanded our DRES staff to be able to take over more lease administration initiatives.
- We processed 132 lease transactions for a total square footage of nearly 600,000 rentable square feet. We also processed 40 deeds, 36 easement documents and 64 miscellaneous transactions for approval in 2007.
- We began work to revise and republish Directive No. 1 and the leasing and acquisition policies.
- We issued RFPs for real estate broker services and appraisal services, and are currently evaluating the responses for both.
- We enjoyed success with a number of collocated facility solutions that have enhanced the quality of the facilities as well as achieved significant savings for the Commonwealth. These include amendments to our collocation at Forest Office Park and the Perimeter Center collocation located in Henrico County and the Workforce Development Center (One-Stop) in Charlottesville.
- Since the inception of DRES in 2005, the combination of savings and cost avoidance has exceeded \$30 million.

Looking to the future, DRES has implemented a new

- \$296,000 refurbishment allowance in the fifth year of lease.

The stated aim of Executive Order 75 is to identify savings opportunities and improve management practices. As the Henrico County example shows, a focus on meeting these aims can produce across-the-board benefits for agencies, the Commonwealth, and the taxpayers.

portfolio management database system that will go live by March 15, 2008. We have also become actively engaged with agencies' preparation of six-year strategic plans for their real estate needs so we can better understand the requirements in the field.



ARMs Get A New Name

Last year, we renamed the real estate property analysts Agency Relationship Managers (ARMs). However, we have discovered that this name change still does not adequately represent the job function. Therefore, the job title is now Transaction Manager. There will be six on staff, and we have an aggressive training schedule planned to get the staff up to speed quickly. DRES has also filled two new positions, a System User Liaison (database manager) and a Lease Administration Manager.

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